

PAGA SETTLEMENT AGREEMENT

Subject to court approval, Plaintiffs Jeffrey Farinas (“Farinas”), Austin Scott (“Scott”), and Zachary Covarrubias (“Covarrubias”), (collectively, “Plaintiffs”) on behalf of the other alleged aggrieved employees (the “Aggrieved Employees” as described below), and as a private attorney general on behalf of the State of California on the one hand, and Defendant Pacifica Hotel Company (“Defendant”) on the other hand, (collectively, the “Parties”) hereby agree to the following settlement (“Settlement” or “Settlement Agreement”) of claims under the Private Attorneys General Act (“PAGA”).

RECITALS

WHEREAS, on April 8, 2019, Farinas sent notice to the Labor and Workforce Development Agency (“LWDA”) and Defendant of his intent to pursue a representative action pursuant to the PAGA, on behalf of himself and the State of California as well as on behalf of a group of alleged aggrieved employees based on Defendant’s alleged violations of California Labor Code sections 2698 and 2699 based upon alleged violations of California Labor Code sections 201, 202, 203, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 2802 and applicable IWC Wage Orders and California Code of Regulations, Title 8, section 11000 *et seq.* (“Farinas PAGA Notice”);

WHEREAS, on June 19, 2019, Farinas filed *Jeffrey Farinas v. Pacifica Hotel Company*, San Diego County Superior Court, Case No. 37-2019-00031699-CU-CTL (“Farinas Action”) on behalf of non-exempt guest services employees alleging violations of California Labor Code sections 2698 and 2699 based upon alleged violations of California Labor Code sections 201, 202, 203, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 2802 and applicable IWC Wage Orders and California Code of Regulations, Title 8, section 11000 *et seq.*;

WHEREAS, on May 21, 2020, Scott sent notice to the LWDA and Defendant of his intent to pursue a representative action pursuant to the PAGA, on behalf of himself and the State of California as well as on behalf of a group of alleged aggrieved employees based on Defendant’s alleged violations of California Labor Code sections 2698 and 2699 based upon alleged violations of California Labor Code sections 201, 202, 203, 204, 225.5, 226, 226.3, 226.7, 256, 351, 510, 512, 558, 1194, and California Business and Professions Code section 17200 *et seq.* (“Scott PAGA Notice”);

WHEREAS, on August 27, 2020, Scott filed *Austin Scott v. Pacifica Hotel Company*, San Mateo County Superior Court, Case No. 20-CIV-03647 (“Scott Action”) on behalf of current and former non-exempt employees alleging violations of California Labor Code sections 2698 and 2699 based upon alleged violations of California Labor Code sections 201, 202, 203, 204, 225.5, 226, 226.3, 226.7, 256, 351, 510, 512, 558, and 1194;

WHEREAS, on September 19, 2020, Scott filed a First Amended Complaint in the Scott Action on behalf of current and former non-exempt employees alleging violations of California Labor Code section 351;

WHEREAS, on September 3, 2020, Jesus Gomez, Juan Gonzalez, Leonel Guzman, Francisco Rodrigues, Jesus Romero, and Jeffrey Santos (collectively, “Gomez Plaintiffs”) sent a notice to the LWDA and Defendant of their intent to pursue a representative action pursuant to the PAGA, on behalf of themselves and the State of California as well as on behalf of a group of alleged aggrieved banquet employees based on Defendant’s alleged violations of California Labor Code sections 2698 and 2699 based upon alleged violations of California Labor Code sections 201, 202, 203, 226, 226.7, 510, 512, 1194, 1197, 1198, and the IWC Wage Order (“Gomez PAGA Notice”);

WHEREAS, on September 29, 2020, Gomez Plaintiffs send an amended notice to the LWDA and Defendant of their intent to pursue a representative action pursuant to the PAGA, on behalf of themselves and the State of California as well as on behalf of a group of alleged aggrieved banquet employees based on Defendant’s alleged violations of California Labor Code sections 2698 and 2699 based upon alleged violations of California Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1194, 1198 and the IWC Wage Order (“Gomez Amended PAGA Notice”);

WHEREAS, on November 5, 2020, Gomez Plaintiffs sent a second amended notice to the LWDA and Defendant of their intent to pursue a representative action pursuant to the PAGA, on behalf of themselves and the State of California as well as on behalf of a group of alleged aggrieved banquet employees based on Defendant’s alleged violations of California Labor Code sections 2698 and 2699 based upon alleged violations of California Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1194, 1198 and the IWC Wage Order (“Gomez Second Amended PAGA Notice”);

WHEREAS, on November 12, 2020, Gomez Plaintiffs filed *Jesus Gomez, et al. v. Pacifica Hotel Company, et al.*, Los Angeles County Superior Court, Case No. 20STCV43470 (“Gomez Action”) on behalf of current and former non-exempt banquet employees alleging violations of California Labor Code sections 2698 and 2699 based upon alleged violations of California Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1194, 1198 and the IWC Wage Order;

WHEREAS, on October 8, 2020, Covarrubias notice to the LWDA and Defendant of his intent to pursue a representative action pursuant to the PAGA, on behalf of himself and the State of California as well as on behalf of a group of alleged aggrieved employees based on Defendant’s alleged violations of California Labor Code sections 2698 and 2699 based upon alleged violations of California Labor Code sections 203, 204, 210, 226.7, 227.3, 510, 512, 558 (“Covarrubias PAGA Notice”);

WHEREAS, on January 26, 2021, Covarrubias filed *Zachary Covarrubias v. Pacifica Hotel Company*, Los Angeles County Superior Court, Case No. 21STCV03280 (“Covarrubias Action”) on behalf of current and former hourly employees alleging violations of California Labor Code sections 2698 and 2699 based upon alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1194, 1194.2, 1174, 1174.5, 1182.12, 1197, 1197.1, 1199 and the relevant Wage Order;

WHEREAS, on August 12, 2021, Covarrubias filed a First Amended Complaint in the Covarrubias Action on behalf of current and former non-exempt guest services employees alleging violations of California Labor Code sections 2698 and 2699 based upon alleged violations of California Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 558, 1194, 1194.2, 1174, 1174.5, 1182.12, 1197, 1197.1, 1199, and the relevant Wage Order;

WHEREAS, Plaintiff Scott filed an individual arbitration demand on July 6, 2020 for damages and statutory penalties currently pending;

WHEREAS, Plaintiffs Farinas and Covarrubias have indicated their intent to demand arbitrations for individual damages and statutory penalties;

WHEREAS, Defendant at all relevant times denied, and currently denies, all claims;

WHEREAS, on December 6, 2021, counsel for Farinas, Scott, Gomez, Covarrubias, and

Defendant participated in an all-day global mediation with experienced wage-and-hour mediator Henry Bongiovi, Esq., thereafter agreed to resolve the Farinas Action, Scott Action, Gomez Action, and Covarrubias Action (collectively, the “Actions”), and ultimately reached the Settlement described herein, which was negotiated in light of all known facts and circumstances, including, inter alia, the potential defenses asserted by Defendant, the uncertainty associated with litigation, the risks of significant delay, and numerous potential appellate issues.

WHEREAS, the Gomez Plaintiffs agreed to dismiss the Gomez Action without prejudice as a condition precedent to this Settlement Agreement;

WHEREAS, for the purposes of effectuating efficient approval of this Settlement, for the Farinas Action, Scott Action, and Covarrubias Action, the Parties agree to cooperate to facilitate approval procedures in the Farinas Action.

PROCEDURAL REQUIREMENTS

1. Within fifteen (15) days following execution of this Agreement by all signatories listed below, Plaintiff Scott and Plaintiff Covarrubias shall enter into stipulations with Defendant within their respective Actions to stay their respective Actions for a period of not less than six months to permit an approval process to proceed in the Farinas Action.

2. In the event that the Court in either the Scott Action or Covarrubias Action denies a stipulation to stay, all Parties to this Settlement shall cooperate to effectuate a transfer of the Scott Action or Covarrubias Actions to San Diego County Superior Court pursuant to Code of Civil Procedure section 403.

3. Within fifteen (15) days following the earlier of the granting of the stipulations referred to in Paragraph 1 above, or the completion of a transfer of the Scott Action and the Covarrubias Action to San Diego Superior Court, Plaintiff Farinas and Defendant shall enter into a stipulation for leave to amend the complaint. Plaintiffs Covarrubias and Scott shall be added to the Farinas action as additional plaintiffs to the action. The complaint shall be amended to plead violations of each of the Labor Code sections identified in each of the notices sent to the LWDA by Plaintiffs Farinas, Scott, Gomez Plaintiffs, and Covarrubias. The Parties expressly stipulate that the applicable statutes of limitations relating to claims asserted in the

Scott Action and the claims asserted in the Covarrubias Action will only relate back to the applicable statutes of limitations in their respective current cases.

4. In the event that the trial court in either the Scott Action or Covarrubias Action denies a stipulation to stay, or stipulation and/or motion to transfer the respective Action, the Farinas Complaint shall nonetheless be amended as described in Paragraph 3. Upon Farinas' filing of the amended Farinas Complaint adding both Covarrubias and Scott as additional plaintiffs, the Action in which a stay and/or transfer was denied shall be dismissed without prejudice. The Parties expressly stipulate that in the event this Settlement Agreement is not approved by the San Diego Superior Court in the Farinas Action, the applicable statutes of limitations relating to claims asserted in the Scott Action and the claims asserted in the Covarrubias Action will relate back to the applicable statutes of limitations in their respective current cases. If the Settlement is denied approval after dismissal of either the Scott Action or Covarrubias Action without prejudice, the Plaintiff in the dismissed action may dismiss their claims as Plaintiffs in the Farinas Action and re-file the case as if it had never been dismissed or may remain as part of the Farinas Action subject to the statutes of limitations set forth above.

PERSONS COVERED BY THE SETTLEMENT

5. Aggrieved Employees: This Settlement covers all non-exempt current and former employees of Defendant who (i) were employed as a guest services employee at any time from April 8, 2018 through the Effective Date and/or (ii) were employed in service-related positions wherein they were eligible to and received payment for a service charge at any time from May 21, 2019 through the Effective Date ("Aggrieved Employees"), including Plaintiffs.

6. Settlement Period: The Settlement covers the period from April 8, 2018 until the Effective Date ("Farinas Settlement Period"), and the period from May 21, 2019 until the Effective Date ("Scott Settlement Period") (collectively, the "Settlement Period").

7. Effective Date: "Effective Date" will be June 23, 2022.

SETTLEMENT CONSIDERATION

8. Maximum Settlement Amount: Subject to the terms and conditions of this Agreement Defendant will pay the gross maximum amount of Six Hundred Sixty Thousand Dollars (\$660,000)

(“Maximum Settlement Amount”) to settle the claims in the Farinas Action, Scott Action, and Covarrubias Action and any other claims released pursuant to this Agreement. In no event shall Defendant be responsible for paying more than the Maximum Settlement Amount, except in individual settlement agreements reached with each Party hereto for allegations of individual damages and penalties separate from the PAGA allegations at issue herein. The Maximum Settlement Amount includes Attorneys’ Fees, Litigation Costs, Settlement Administrator Costs, and payment for the “Released Claims” as defined below (including payment to the LWDA and payments to Aggrieved Employees).

9. Attorneys’ Fees: In full satisfaction of all claims Plaintiffs and Aggrieved Employees may have for attorneys’ fees arising out of the Farinas Action, Scott Action, and Covarrubias Action, Plaintiffs’ Counsel, James R. Hawkins, APLC, Schneider Wallace Cottrell Konecky LLP, Law Office of Kenneth A. Goldman, PC, and Law Offices of Sahag Majarian, II (collectively, “Plaintiffs’ Counsel”), shall request and be paid from the Maximum Settlement Amount a maximum amount of thirty-three and one-third (33 1/3 %) of the Maximum Settlement Amount (\$220,000), subject to Court approval. To the extent the Court approves attorneys’ fees of less than this amount, the amount of the difference shall be added to the PAGA Penalties Fund. Within ten (10) days of receipt of the deposit of the Maximum Settlement Amount by the Settlement Administrator from Defendant and dismissal of the Scott Action and Covarrubias Action, the Settlement Administrator shall pay Plaintiffs’ counsel the amount described in this paragraph.

10. Litigation Costs: In full satisfaction of all claims Plaintiffs and Aggrieved Employees may have for litigation costs arising out of the Farinas Action, Scott Action, and Covarrubias Action, Plaintiffs’ Counsel shall request and be paid from the Maximum Settlement Amount actual costs incurred by Plaintiffs’ Counsel not to exceed Thirty-Three Thousand Dollars (\$33,000.00) in litigation costs, subject to Court approval. To the extent the Court approves litigation costs of less than the amount requested by Plaintiffs’ Counsel, the difference between the requested amount and the amount awarded shall be added to the PAGA Penalties Fund. Within ten (10) days of receipt of the deposit of the Maximum Settlement Amount by the Settlement Administrator from Defendant and dismissal of the Scott Action and Covarrubias Action, the Settlement Administrator shall pay Plaintiffs’ counsel the amount described in this paragraph.

11. PAGA Penalties Fund: The Parties agree that Defendant, through the Settlement Administrator, will pay the LWDA and Aggrieved Employees in full satisfaction of all claims for PAGA civil penalties under the California Labor Code in an amount equal to the remainder of the Maximum Settlement Amount following deduction of any Court-approved attorneys' fees, litigation costs, and Settlement Administration Costs ("PAGA Penalties Fund"). Pursuant to PAGA, 75% of the PAGA Penalties Fund will be paid to the LWDA, and the remaining 25% will be paid to all Aggrieved Employees in proportion to the number of weeks employed in non-exempt positions during the Farinas Settlement Period and during the Scott Settlement Period. Within ten (10) days of receipt of the deposit of the Maximum Settlement Amount by the Settlement Administrator from Defendant, the Settlement Administrator shall pay the LWDA and Aggrieved Employees the amounts described in this paragraph.

12. Settlement Administrator: Simpluris, Inc. shall be the third-party settlement administrator for the purposes of administering this Settlement.

13. Settlement Administration Costs: Settlement Administration Costs will be paid to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, calculating estimated amounts per aggrieved employee, tax reporting payments on IRS 1099 Forms, distributing the PAGA Penalties Fund and providing necessary reports, and other duties and responsibilities as requested by the Parties. The Settlement Administration Costs will be paid from the Maximum Settlement Amount, including, if necessary, any such costs in excess of the amount represented by the Settlement Administrator as being the maximum necessary to administer the Settlement, which is estimated to be no greater than Eight Thousand Five Hundred Dollars (\$8,500.00). To the extent actual Settlement Administration Costs are greater than \$8,500, such excess amount will be deducted from the PAGA Penalties Fund. Within ten (10) days of receipt of the deposit of the Maximum Settlement Amount by the Settlement Administrator from Defendant and dismissal of the Scott Action and Covarrubias Action, the Settlement Administrator shall pay itself the amount described in this paragraph.

14. Court Approval of the Settlement and Distribution of Settlement Payments: Within sixty (60) days of the Parties executing this Settlement Agreement, Plaintiffs will submit papers requesting that

the Court issue an order approving and incorporating by reference the terms and conditions of the Settlement Agreement and entering judgment. Plaintiffs and Defendant will jointly prepare the proposed Approval Order and Judgment to be entered by the Court to enforce this Agreement. The proposed Approval Order and Judgment will be submitted concurrently with the documents asking the court to approve the settlement. Plaintiffs shall promptly submit this Settlement Agreement to the LWDA at the same time the stipulation or motion for settlement approval is filed.

15. Funding of the Settlement: Within thirty (30) days after judgment is entered by the Court approving the Settlement, Defendant will pay the Maximum Settlement Amount to the Settlement Administrator. The Settlement Administrator shall not release any of the funds until entry of dismissal of the Scott Action and the Covarrubias Action.

16. Settlement Payments to Aggrieved Employees: No later than fifteen (15) days after the date judgment is entered by the Court approving the Settlement, Defendant shall provide the Settlement Administrator with a list of all Aggrieved Employees (“Aggrieved Employees List”). The Aggrieved Employees List shall state the first name and last name for each Aggrieved Employee; the last known address for each Aggrieved Employee; each Aggrieved Employee’s social security number, and the number of weeks during the Farinas Settlement Period and Scott Settlement Period during which each was employed in a non-exempt position for Defendant. No later than ten (10) days after receipt of the Maximum Settlement Amount from Defendant, the Settlement Administrator will issue each Aggrieved Employee a check for his or her share of the PAGA Penalties Fund along with an explanatory letter in the form attached hereto as **Exhibit A**. Checks will remain negotiable for one hundred eighty (180) days. Any checks returned as non-deliverable on or before the check cashing deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address or Social Security number of the Aggrieved Employee involved and will then perform a single re-mailing. Funds represented by settlement checks returned as undeliverable and those settlement checks remaining un-cashed for more than one hundred eighty (180) days after issuance will be tendered to the State Controller’s Office, Unclaimed Property Division. In the event that an

Aggrieved Employees check is undeliverable, uncashed, or otherwise distributed to the State Controller's Office, Unclaimed Property Division, the terms of the final judgment and the Release of Claims will nevertheless be binding upon that Aggrieved Employee and the State of California with respect to that Aggrieved Employee. All payments made to Aggrieved Employees shall, if required by applicable state and/or federal law, be reported on a federal form 1099 that shall be provided to the individual Aggrieved Employees. Aggrieved Employees are responsible for correctly characterizing this compensation for their personal tax purposes and paying any taxes that may be owed on said amounts.

17. Release of Claims for Aggrieved Employees and the State of California: Upon Defendant's satisfaction of its financial obligations under the Court's approval order, Plaintiffs, all Aggrieved Employees, and the State of California shall fully release and forever discharge any and all claims against the Released Parties arising during the Settlement Period for civil penalties under California Labor Code sections 2698-2699 that were asserted or could reasonably have been asserted based on the facts alleged or that could have been alleged in the Actions and/or the PAGA letters submitted by Farinas, Scott, Gomez, and/or Covarrubias to the LWDA ("Released Claims"), including but not limited to PAGA penalties for violations of California Labor Code sections 201, 202, 203, 204, 210, 225.5, 226, 226.3, 226.7, 227.3, 256, 351, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802 and applicable IWC Wage Orders and California Code of Regulations, Title 8, section 11000 et seq.. "Released Parties" shall mean Defendant, its past and present related entities, parents, subsidiaries, predecessors, successors, assigns, owners, officers, directors, employees, agents, trustees, affiliated entities, attorneys or legal representatives, insurers, fiduciaries, beneficiaries, partners, and/or any other entity or individual which could be liable for the acts or omissions of Defendant in relation to the Released Claims. Upon issuance of the Court's approval order and judgment, Plaintiffs, all Aggrieved Employees, and the State of California will be forever barred from pursuing against Defendant and the Released Parties any and all claims for civil penalties pursuant to the PAGA under the Labor Code sections described herein, Wage Orders, and/or other provisions of law alleged or that could have been alleged to have been violated in the Actions with respect to the Aggrieved Employees based on the facts alleged or that could have been alleged in the Actions arising during the Settlement Period.

18. No Credit Toward Benefit Plans: Payments to Aggrieved Employees as referenced herein will not be utilized to calculate any additional benefits under any benefit plans to which any Aggrieved Employee may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which any Aggrieved Employee may be entitled under any benefit plans.

19. Tax Liability: Defendant and Plaintiffs' Counsel make no representations as to the tax treatment or legal effect of the payments called for hereunder, and Aggrieved Employees shall not rely on any statement or representation by Defendant or Plaintiffs' Counsel in this regard. Aggrieved Employees are advised that Aggrieved Employees will be solely responsible for the payment of their portion of any taxes and penalties assessed on the payments described herein and will defend, indemnify, and hold Defendant and the Released Parties free and harmless from and against any claims resulting from treatment of such payments as non-taxable damages.

20. No Prior Assignments: The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

21. Nullification of Settlement Agreement: In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions before the Settlement was executed and as described in paragraph 4.

22. Dismissal of Scott and Covarrubias Actions. If, upon approval of this Settlement Agreement, the Scott or Covarrubias Actions, or both, are pending and stayed in any Superior Court, within fourteen (14) days of Defendant depositing funds with the Settlement Administrator under the Court's approval order, the pending Action or Actions shall be dismissed with prejudice.

23. Continued Jurisdiction: After entry of the Court's approval order and judgment, the Court will have continuing jurisdiction under Cal. Code Civ. Proc. § 664.6 solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement; (ii) settlement administration matters; and (iii) such post-Court Approval matters as may be appropriate under court rules or as set forth in this Settlement.

24. Preclusive Effect of Settlement Agreement and Approval: The terms of this Agreement, the Approval order, and the Judgment are binding on Plaintiffs, the State of California, and all Aggrieved Employees, as well as their heirs, executors and administrators, successors and assigns, and any other persons or entities acting on their behalf, and those terms shall have res judicata, collateral estoppel and other preclusive effect in all pending and future claims, lawsuits or other proceedings maintained by or on behalf of any such persons, to the extent those claims, lawsuits or other proceedings constitute Released Claims as set forth in the Agreement. Notwithstanding any other provision in this Agreement, this Agreement, the Approval order, and the Judgment in the Farinas Action, Scott Action, and Covarrubias Action may be filed in any action against or by Defendant or the Released Parties to support a defense of res judicata, collateral estoppel, release, waiver, good-faith settlement, judgment bar or reduction, full faith and credit, or any other theory of claim preclusion, issue preclusion or similar defense or counterclaim.

25. Entire Agreement: This Settlement Agreement constitutes the entirety of the Parties' settlement terms with regard to the settlement of Plaintiffs' PAGA claims. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties with respect to the PAGA claims.

26. Amendment or Modification: This Settlement Agreement may be amended or modified only by a written instrument, signed by either the Parties or their successors-in-interest.

27. Authorization to Enter Into Settlement Agreement: The Parties warrant and represent they expressly authorized their legal counsel to negotiate this Settlement Agreement. The Parties will direct their counsel to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties through their counsel will cooperate with each other and

use their best efforts to affect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the mediator (Henry Bongiovi) or the Court to resolve such disagreement.

28. Binding on Successors and Assigns: This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

29. California Law Governs: All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

30. Execution and Counterparts: This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument. To facilitate execution and delivery of this Settlement Agreement, the parties may execute and exchange by facsimile or electronic image (*i.e.*, as a “.pdf” file) counterparts of the signature pages and/or sign by electronic means (*i.e.*, with DocuSign).

31. Acknowledgement that the Settlement is Fair and Reasonable: The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions and have arrived at this Settlement after arm’s-length negotiations. The Parties further acknowledge they are represented by competent counsel and they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

32. Invalidity of Any Provision: Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable. Any provisions deemed invalid shall be severable from the rest of the Settlement Agreement.

33. Captions: The captions and section numbers in this Settlement Agreement are inserted for the reader’s convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Settlement Agreement.

34. Waiver: No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

35. Enforcement Action: In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

36. Mutual Preparation: The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

37. Representation By Counsel: The Parties acknowledge they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

38. Attorneys' Fees and Costs: Except as expressly provided herein, Defendant and Plaintiffs shall each bear their own attorney's fees and costs.

39. Cooperation and Execution of Necessary Documents: All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

40. Binding Agreement: The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

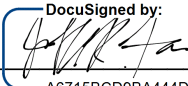
41. Confidentiality: In exchange for the monetary consideration recited in this Settlement, upon the Effective Date and performance of the payment obligations in this Agreement, Plaintiffs and their counsel agree that they have not and will not publish the results of the Settlement in any forum in any manner that could reasonably identify the Parties. Plaintiffs' Counsel shall not report the Settlement in any medium or in any publication, shall not post or report anything regarding the claims of Plaintiffs or the Aggrieved Employees or the Settlement on their websites, without express written consent, other than "\$660,000 PAGA Settlement for Hospitality Workers", and shall not contact any reporters or media regarding the Settlement. Plaintiffs' Counsel is authorized to make necessary disclosures to the Court and the LWDA for the purposes of obtaining the approval of the Settlement. This disclosure is limited to court filings and neither Plaintiffs nor their Counsel or representatives are permitted to disseminate or publish, distribute, or discuss the information provided to the Court in those filings outside the filings themselves and any hearing held on those filings, unless ordered otherwise by the Court.

42. No Admission of Liability: The Parties expressly recognize that the making of this agreement does not in any way constitute an admission or concession of wrongdoing on the part of Defendant or Released Parties. Nothing in this Settlement, nor any action taken in implementation thereof, nor any statements, discussions or communications, nor any materials prepared, exchanged, issued or used during the course of the Actions is intended by the Parties to, nor will any of the foregoing constitute, be introduced, be used or be admissible in any way in any other judicial, arbitral, administrative, investigative or other forum or proceeding, as evidence of any violation of any federal, state, or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this agreement may be used in any proceeding in the Court that has as its purpose the interpretation, implementation, or enforcement of the Settlement or any orders or judgments of the Court entered into in connection therewith.

[signatures to follow]

PLAINTIFF JEFFREY FARINAS

Dated: 8/10/2022

DocuSigned by:

A6715BCD9BA444D...

PLAINTIFF AUSTIN SCOTT

Dated: _____

PLAINTIFF ZACHARY COVARRUBIAS

Dated: _____

DEFENDANT PACIFICA HOTEL COMPANY

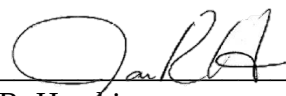
Dated: _____

By: _____
Its Authorized Signatory

APPROVED AS TO FORM AND CONTENT:

JAMES R. HAWKINS, APLC

Dated: 8/10/2022

By: 
James R. Hawkins
Gregory E. Mauro
Attorney for Plaintiff
JEFFREY FARINAS

SCHNEIDER WALLACE COTTRELL
KONECKY LLP

Dated: _____

By: _____
Carolyn Hunt Cottrell
Attorney for Plaintiff
AUSTIN SCOTT

PLAINTIFF JEFFREY FARINAS

Dated: 08 / 04 / 2022

Austin S.

PLAINTIFF AUSTIN SCOTT

Dated: _____

PLAINTIFF ZACHARY COVARRUBIAS

Dated: _____

DEFENDANT PACIFICA HOTEL COMPANY

Dated: _____

By: _____
Its Authorized Signatory

APPROVED AS TO FORM AND CONTENT:

JAMES R. HAWKINS, APLC

Dated: _____

By: _____
James R. Hawkins
Gregory E. Mauro
Attorney for Plaintiff
JEFFREY FARINAS

SCHNEIDER WALLACE COTTRELL
KONECKY LLP

Dated: 08 / 22 / 2022

By: *Carolyn Cottrell*
Carolyn Hunt Cottrell
Attorney for Plaintiff
AUSTIN SCOTT

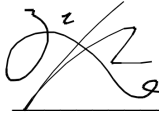
PLAINTIFF JEFFREY FARINAS

Dated: _____

PLAINTIFF AUSTIN SCOTT

Dated: 09/08/2022

PLAINTIFF ZACHARY COVARRUBIAS



Dated: _____

DEFENDANT PACIFICA HOTEL COMPANY

Dated: _____

By: _____
Its Authorized Signatory

APPROVED AS TO FORM AND CONTENT:

JAMES R. HAWKINS, APLC

Dated: _____

By: _____
James R. Hawkins
Gregory E. Mauro
Attorney for Plaintiff
JEFFREY FARINAS

SCHNEIDER WALLACE COTTRELL
KONECKY LLP

Dated: _____

By: _____
Carolyn Hunt Cottrell
Attorney for Plaintiff
AUSTIN SCOTT

LAW OFFICE OF KENNETH GOLDMAN, PC



Dated: 09/08/2022

By: _____

Kenneth Goldman

Attorney for Plaintiff

ZACHARY COVARRUBIAS

MULLEN & HENZELL L.L.P.

Dated: 09/23/22

By:  _____

Rafael Gonzalez

Attorneys for Defendant

PACIFICA HOTEL COMPANY

PLAINTIFF JEFFREY FARINAS

Dated: _____

PLAINTIFF AUSTIN SCOTT

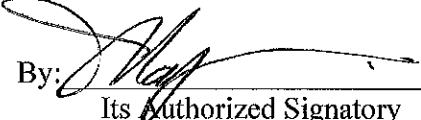
Dated: _____

PLAINTIFF ZACHARY COVARRUBIAS

Dated: _____

DEFENDANT PACIFICA HOTEL COMPANY

Dated: 9/23/22

By:  _____
Its Authorized Signatory

APPROVED AS TO FORM AND CONTENT:

JAMES R. HAWKINS, APLC

Dated: _____

By: _____
James R. Hawkins
Gregory E. Mauro
Attorney for Plaintiff
JEFFREY FARINAS

SCHNEIDER WALLACE COTTRELL
KONECKY LLP

Dated: _____

By: _____
Carolyn Hunt Cottrell
Attorney for Plaintiff
AUSTIN SCOTT

EXHIBIT A

Date: __/__/2022

Re: *Payment from Jeffrey Farinas v. Pacifica Hotel Company, San Diego County Superior Court, Case No. 37-2019-00031699-CU-CTL; Austin Scott v. Pacifica Hotel Company, San Mateo County Superior Court, Case No. 20-CIV-03647; Zachary Covarrubias v. Pacifica Hotel Company, Los Angeles County Superior Court, Case No. 21STCV03280*

<<FIRST NAME>> <<LAST NAME>>
<<ADDRESS>>

Dear <<FIRST NAME>> <<LAST NAME>>:

Enclosed, please find a check made payable to you. This is your payment from the settlement of lawsuits titled (i) *Jeffrey Farinas v. Pacifica Hotel Company*, San Diego County Superior Court, Case No. 37-2019-00031699-CU-CTL (“*Farinas Action*”), (ii) *Austin Scott v. Pacifica Hotel Company*, San Mateo County Superior Court, Case No. 20-CIV-03647 (“*Scott Action*”), and (iii) *Zachary Covarrubias v. Pacifica Hotel Company*, Los Angeles County Superior Court, Case No. 21STCV03280 (“*Covarrubias Action*”).

The *Farinas Action*, *Scott Action*, *Jesus Gomez, et al. v. Pacifica Hotel Company, et al.*, Los Angeles County Superior Court, Case No. 20STCV43470 (“*Gomez Action*”) and *Covarrubias Action* (collectively, the “*Actions*”) were filed against Pacifica Hotel Company (“Pacifica”) under the California Labor Code Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”). The Actions were brought by former employees of Pacifica, on behalf of the State of California and other alleged aggrieved employees. You have been identified as one of the employees on whose behalf the Actions were brought.

The lawsuits claim that Pacifica owes penalties under PAGA for alleged violations of the California Labor Code. Pacifica disputes all of the allegations in the lawsuits and denies that it engaged in any of the alleged misconduct.

The Court has not decided the merits of the claims or defenses, but it has approved the settlement of the representative PAGA claims that the Parties reached. This Settlement covers all non-exempt current and former employees of Pacifica who (i) were employed as a guest services employee from April 8, 2018 through June 23, 2022 and/or (ii) were employed in service-related positions wherein they were eligible to receive payment for a service charge at any time from May 21, 2019, through June 23, 2022 (“*Aggrieved Employees*”). A portion of the civil penalty settlement amount goes to the State of California’s Labor and Workforce Development Agency. Another portion of the civil penalty settlement amount goes to the Aggrieved Employees. In agreeing to enter into this settlement, Pacifica does not admit that it is liable in any way to current or former employees for any violations of the California Labor Code, or any penalties, and has denied and disputed all of the contentions in the lawsuits.

Pursuant to the settlement, enclosed is a check for your share of a portion of the civil penalties. This check will remain valid for 180 days from the date of issuance. Please note that no

deductions/withholdings have been made from your settlement payment, and you will be responsible for any tax consequences arising from your receipt of the same (for which an IRS Form 1099 will issue). If you do not cash your check within 180 days of issuance, the funds will be deposited by the Settlement Administrator with the California State Controller to be deposited in the Unclaimed Property Fund in your name. If you are still employed by Pacifica, your decision to cash the check will not affect your employment in any way.

While you were not a party to the lawsuits, you and the State of California have been bound by the judgment that has been approved by the Court, including the release contained in the settlement. The release includes all claims for civil penalties under PAGA that were asserted or could reasonably have been asserted based on the facts alleged or that could have been alleged in the Actions and/or the PAGA letters submitted to the LWDA, including attorneys' fees, costs, or interest, during the time period April 8, 2018 through June 23, 2022.

If you have any questions, you can contact [Each of Plaintiffs' Counsels' firm contact].

4871-9278-5448, v. 1